



Sustainability Statement 2019





Sustainability Statement

"We needed to manage the business and make sure that it would be sustainable, but we also needed to grow Tune Protect and identify new areas of growth."

Khoo Ai Lin
The Edge Malaysia (June 24, 2019)

Dear Shareholders,

Our pursuit to become the region's leading digital insurer will require us to operate with clear principles of sustainability. As a result, we shall focus our efforts to be Economically Productive, Environmentally Protective and Socially Proactive which aligns to our tagline - "Responsible Actions, Sustainable Future".

Our sustainability strategy is driven by our Board of Directors ("the Board") through a Sustainability Committee ("SuCom") that I chair. We aim to grow the business profitably in a sustainable manner based on initiatives linked to Our People and Community, Our Products and Services and Our Environment. With this structure in place, we shall ensure the overall direction, management and performance of all our sustainability initiatives are aligned to the organisation's business objectives.

Advancing our sustainability performance involves many aspects of our strategy and operations, enhances trust in our brand and is ultimately rooted in our mission that everyone deserves to be protected. This report highlights our sustainability practices and spells out the good progress that we have made on the Economic, Environmental and Social ("EES") fronts in FY2019. In preparing this report, we engaged with internal and external stakeholders to solicit their input and perspectives which led to the development of a materiality assessment. This in turn served as a guide for how we approach matters that are of paramount importance (or most material) and which will ensure the sustainable growth of our primary businesses.

Alongside the Company's Board of Directors, the SuCom, members of the Senior Management team and all our employees, we shall strive towards enhancing our sustainability performance in the years to come. We have a long journey ahead of us. Please continue to support us on this exciting journey towards being a responsible organisation for a sustainable future.

Thank you.

Khoo Ai Lin

ABOUT THIS REPORT

Reporting Approach

This report covers all three sustainability pillars of EES using the globally accepted reporting framework, Global Reporting Initiative (“GRI”) Standards to establish a robust reporting structure as well as meeting the sustainability reporting requirements and regulations established by the Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The GRI Standards pave the way to identifying material matters as well as the boundary of this report via its vital principles such as:

Stakeholder Inclusiveness

Aligning stakeholder influence on EES and the organisation’s impact on EES.

Management Approach

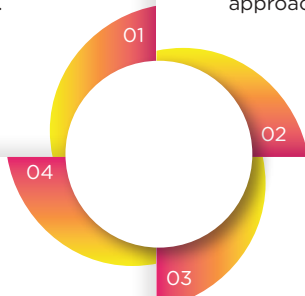
Presenting performance index in the wider context of sustainability approaches.

Completeness

Reporting quantitative and/or qualitative end-to-end aspect of the identified material matters.

Materiality

Identifying key sustainability material matters for reporting.



This report is prepared in reference to the GRI Standards – Core Option and the content refers to the following topics:



Business Ethics
and Compliance



Customer
Satisfaction



Digitisation



Diversity and Equal
Opportunity



Local Communities



Materials

Reporting Period

This is the third year of our Company’s sustainability reporting for the period from 1 January 2019 to 31 December 2019 (unless otherwise stated) and is published annually.

Scope and Boundaries

The scope of this report covers our operations in Malaysia, comprising Tune Protect Group, Tune Protect Malaysia, Tune Protect Re and Tune Protect Direct. Other entities outside Malaysia are excluded in this report as there are no majority controlling interests on those entities.

Sustainability across Supply Chain

We aspire to embed responsible practices into our supply chain as we grow in our sustainability journey.

Memberships and Associations

Memberships and associations include, but not limited to, the list below:

- General Insurance Associations of Malaysia
- Labuan International Insurance Association

References

- “Tune Protect Group” or “the Company” refers to Tune Protect Group Berhad
- “We” refers to the Company and its subsidiaries.

Feedback

All feedback and queries can be directed to:

Address : Level 9, Wisma Tune
No. 19, Lorong Dungun
Damansara Heights
50490 Wilayah Persekutuan
Kuala Lumpur, Malaysia

Tel : 603 2056 6200

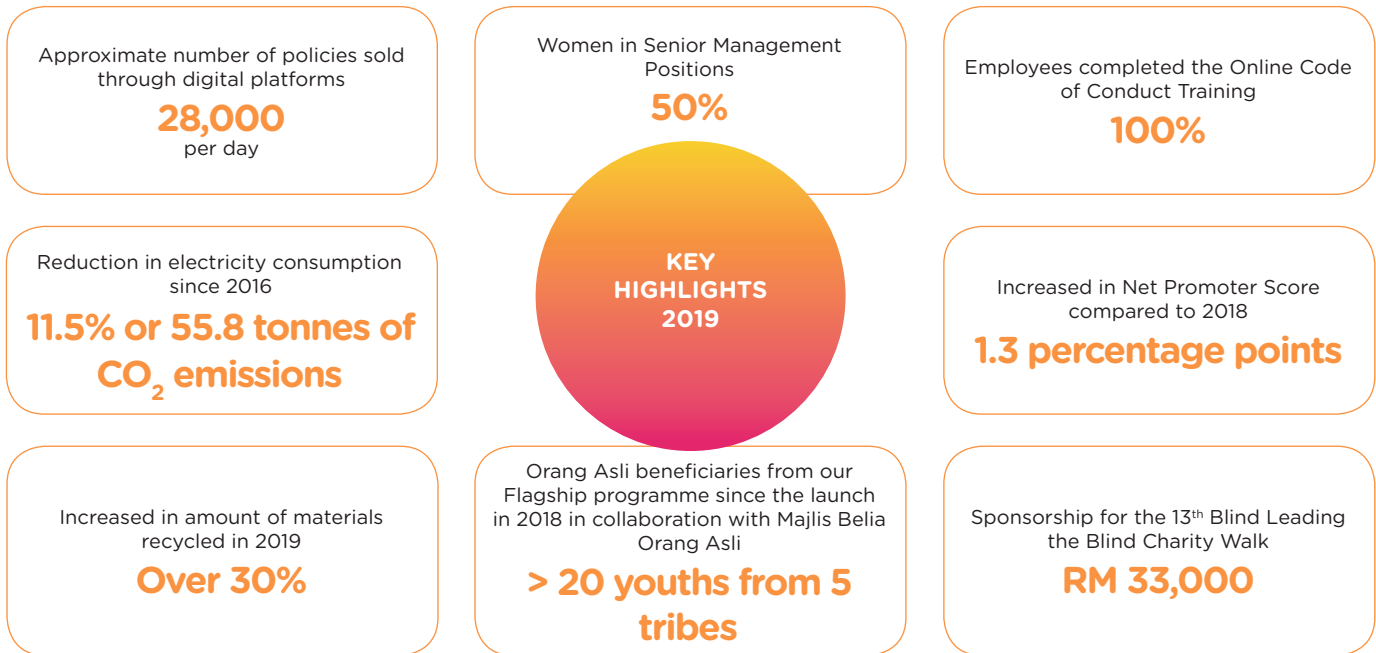
Fax : 603 2092 1029

Email : sustainability@tuneprotect.com



THE GLOBAL GOALS

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. In this year’s report, we map how our initiatives contribute to the UN Sustainable Development Goals (“SDGs”).

















STAKEHOLDER ENGAGEMENT

Our stakeholders are diverse and consist of customers, regulators, government bodies, shareholders, investors, analysts, employees, insurance agents, local communities, media, and business partners. These groups of stakeholders are vital in our sustainability journey as their interests influence the EES impact on our business. Thus, we continuously engage with our stakeholders via a variety of mechanisms (e.g. workshops, online surveys, etc.) to understand their evolving priorities.

The table below showcases a list of our stakeholders and their interests during the stakeholder engagements conducted with them for reporting purposes:

Stakeholder Group	Modes of Engagement	Frequency of Engagement	Key Areas of Interest	Our Responses
Customers	• Customer Service Centre	• Location and operating hours available on the corporate website	<ul style="list-style-type: none"> • Business Ethics & Compliance • Customer Privacy • Diversity and Equal Opportunity • Customer Satisfaction 	Pages 42 - 43
	• Customer satisfaction survey	• Available immediately to customers who make online purchases through the B2C platform		Pages 44 - 45
	<ul style="list-style-type: none"> • Print publications i.e.: newspapers, magazines, etc. • Digital platforms i.e.: Business-to-Consumer (“B2C”) and Business-to-Business-to-Consumer • Social media platforms • Email • Online survey 	<ul style="list-style-type: none"> • As and when • 24/7 • 24/7 • Weekly • Annually 		Pages 48 - 49
Regulators and government bodies	• Compliance with listing and regulatory requirements	• On-going	<ul style="list-style-type: none"> • Customer Satisfaction • Business Ethics & Compliance • Digitisation • Training and Education 	Pages 42 - 43
	• Regulatory reporting	• Monthly/Quarterly/Annually		Pages 48 - 49
	• Off-site correspondence and monitoring via letters, emails and calls	• As required		Pages 48 - 49
	• On-site review and meetings	• Scheduled/Ad-hoc		
	• Online survey	• Annually		Pages 49 - 50

Stakeholder Group	Modes of Engagement	Frequency of Engagement	Key Areas of Interest	Our Responses
Shareholders, investors and analysts	<ul style="list-style-type: none"> Annual General Meeting (Annual Reports, Shareholders' Circulars, Corporate Governance Report) Analyst briefings (analyst presentation slides, financial statements) Regular dialogues (one-on-one and group meetings, conferences, roadshows, Bursa announcements) Investor Relations website Credit Rating exercise (press release) Online survey 	<ul style="list-style-type: none"> Annually 	<ul style="list-style-type: none"> Digitisation Business Ethics & Compliance Marketing and Labelling Customer Privacy Economic Performance 	 Pages 42 - 43
		<ul style="list-style-type: none"> Quarterly Ad-hoc basis 24/7 Annually Annually 		 Pages 49 - 50
Employees	<ul style="list-style-type: none"> Code of Conduct Month Internal engagement activities (including town hall meetings, team building, newsfeeds on Workplace @ Facebook, workshops) Performance reviews Policies and procedures Online survey 	<ul style="list-style-type: none"> Annually Quarterly/Periodic 	<ul style="list-style-type: none"> Business Ethics & Compliance Occupational Health and Safety Employment Customer Privacy Diversity & Equal Opportunity 	 Pages 42 - 43
		<ul style="list-style-type: none"> On-going The Company's intranet Annually 		 Pages 44 - 45
Insurance agents	<ul style="list-style-type: none"> Training and awareness Awards and recognition Annual conventions Online survey 	<ul style="list-style-type: none"> Annually (20 hours) Monthly Annually Annually 	<ul style="list-style-type: none"> Occupational Health and Safety Business Ethics & Compliance Customer Privacy Training and Education Customer Satisfaction 	 Pages 42 - 43
				 Pages 48 - 49
Local communities	<ul style="list-style-type: none"> Community activities Strategic community investments through partnerships Online survey 	<ul style="list-style-type: none"> Refer to "Local Communities" section on pages 46 to 48 	<ul style="list-style-type: none"> Business Ethics & Compliance Diversity and Equal Opportunity Local Communities 	 Pages 42 - 43
		<ul style="list-style-type: none"> Refer to "Local Communities" section on pages 46 to 48 Annually 		 Pages 44 - 45
				 Pages 46 - 48
Media	<ul style="list-style-type: none"> Media engagements Media interviews and Press releases Company/Corporate events Online survey 	<ul style="list-style-type: none"> As required Twice per quarter 	<ul style="list-style-type: none"> Digitisation Economic Performance Customer Satisfaction Local Communities Marketing and Labelling 	 Pages 46 - 48
		<ul style="list-style-type: none"> Quarterly Annually 		 Pages 48 - 49
				 Pages 49 - 50
Business partners	<ul style="list-style-type: none"> Conferences/Roadshows Meetings (face-to-face and group briefing meetings) Online survey 	<ul style="list-style-type: none"> Annually Annually 	<ul style="list-style-type: none"> Business Ethics & Compliance Customer Privacy Diversity and Equal Opportunity Occupational Health and Safety 	 Pages 42 - 43
		<ul style="list-style-type: none"> Annually 		 Pages 44 - 45

MATERIALITY MATRIX

This year, we have taken a digital approach in reaching out to both internal and external stakeholders via an online survey to understand their concerns and expectations about our businesses. Results from the stakeholder engagement is populated in the materiality matrix below. The materiality matrix was further enhanced to identify and prioritise material topics for disclosure, resulting in two areas identified as Key Focus Materials (positioned in the grey box) and Emerging Materials.

The sustainability working team together with the SuCom and the Board assessed these two material groups and decided to take a strategic approach of concentrating on the Key Focus Materials for this reporting year which are most relevant to our businesses and stakeholders. Moving forward, both material groups will be reviewed periodically to ensure that addressing each material topic is kept active and up to date.



SUSTAINABILITY STRATEGY

Our overarching sustainability approach is built on and run by a strong foundation of corporate governance. We consistently uphold our principles and ethical standards while continuously keeping our customers well protected, operate in an environmentally friendly manner, build an inclusive and high-performance work culture as well as become pillars of support for underserved communities.

Moving into our 9th year since our inception in 2011, we recognise that the coverage of our products and services has now reached many individuals beyond where we started in Malaysia. Hence, it is our responsibility to not only play an active role in sustainable development locally but also be part of the solution in the greater global community. This has led us to expand our support on the national agenda towards Malaysia’s Shared Prosperity Vision 2030 to the SDGs by mapping our material topics to the SDGs that we can best contribute to. We strongly believe this is not only aligned with our overall business strategy as a digital insurer but also our long-term commitment to our customers, our employees, our partners and our stakeholders.

Our sustainability strategy consists of four main pillars, namely *Governance*, *Our People & Community*, *Our Products & Services* and *Our Environment*. These pillars encompass our commitment to address and optimise topics that are not only material to us as an organisation but also to all our stakeholders. *Governance* serves as the backbone in supporting the implementation of the other three pillars. Each pillar is further elaborated with specific topics and disclosures which are aligned with the SDGs as demonstrated in the Infographic on page 41. Moving forward, we will streamline and communicate our sustainability strategy to all corners of our operations to ensure that we, together with our fellow stakeholders, are working towards achieving the sustainable future that we are all aspiring to.

RESPONSIBLE ACTIONS, SUSTAINABLE FUTURE



Governance



GRI 205 : Business Ethics and Compliance



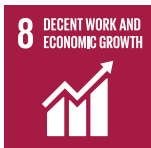
Our People & Community



GRI 405 : Diversity & Equal Opportunity



GRI 413 : Local Communities



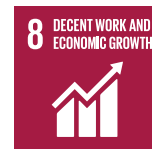
Our Products & Services



Customer Satisfaction



Digitisation



Our Environment

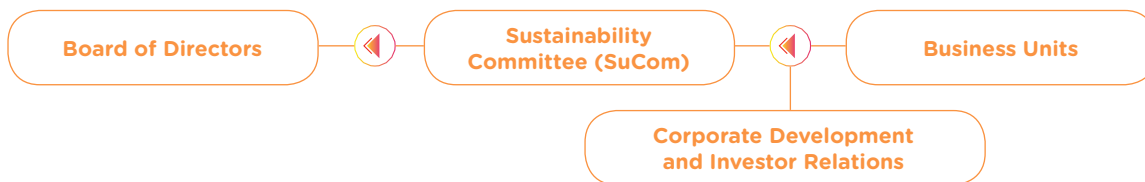


GRI 301 : Materials



SUSTAINABILITY GOVERNANCE

GOVERNANCE – SuCom



At Tune Protect Group, incorporating the fundamentals of sustainability starts at the very top and builds the foundation of our group strategy. The Board shows their commitment to safeguarding our responsibilities to our stakeholders by requiring the management to disclose sustainability related matters in a transparent and ethical manner through SuCom.

Since its establishment in 2017, SuCom has the responsibility to oversee all sustainability management, direction and the performance of EES-related initiatives and is accountable to report progress to the Board. SuCom plays a vital role in providing feedback and recommendations on sustainability related matters to the Board, which is ultimately accountable to our stakeholders.

The SuCom convenes once a month and reports to the Board on a quarterly basis. SuCom is chaired by the Group Chief Executive Officer and its members comprise of the Group Chief Financial Officer, Chief – Corporate Development and Investor Relations and Chief – People and Culture. Its secretariat sits within the Corporate Development and Investor Relations (“CDIR”) department who administers the day-to-day activities related to sustainability reporting, driving initiatives, stakeholder engagement and management of the sustainability-related materiality topics. The CDIR also acts as the central point of contact for the various Business Units on sustainability-related initiatives as well as performance monitoring for reporting purposes.

COMMUNICATION ON ANTI-BRIBERY & CORRUPTION

Why It Matters

The success of our operations and our business depends heavily on making ethical business decisions and upholding integrity; one of our core values. Our day-to-day business operations are focused on doing business the right way and we believe that this adherence to transparency and integrity extends throughout our business relationships.

We take our commitment to integrity and maintaining the highest ethical standards seriously and our policies on Anti-Bribery & Corruption reflect this. Our Code of Conduct (“CoC”), Whistleblowing and Corporate Governance policies are published on our corporate website and disseminated among all our employees on an annual basis or as and when there are updates.

A comprehensive list of Policies, Framework and Guidelines are available and accessible by all employees. Refer to page 77 for further details.

How We Approach It

Our CoC is introduced to all employees at the very start of their journey at Tune Protect. For the past three years, People & Culture team ran a month-long CoC campaign to drive and create awareness about the do’s and don’ts outlined by the CoC Manuals. It is a month that is dedicated to reinforcing and reiterating our CoC policies, procedures relating to standards of integrity and respect that we strive to maintain when interacting with our business partners, shareholders and fellow employees. Our People & Culture team supports the Board Risk Management Committee in communicating Anti-Bribery & Corruption policies to all employees with the CoC Manuals made available in English and Bahasa Malaysia. Our Manuals also spell out behaviours that tantamount to misconduct. In 2019, we conducted an ‘Employee Relations Workshop for People Managers and HR Practitioners’, an online Pop Quiz with videos to hone key CoC messages, as well as a CoC workshop for new

hires, contract staff and interns that was co-facilitated by People & Culture, Legal, Compliance and the Risk Management teams.

We take a zero-tolerance stance against bribery and corruption and we are working to enhance current countermeasures against bribery and corruption to be in full compliance the Malaysian Anti-Corruption Commission (“MACC”)’s Guidelines on Adequate Procedures. Section 17A of the MACC Act 2009 establish the principle of an organisation’s criminal liability (corporate liability) for the corrupt practices of its employees and/or any person associated with the organisation in cases where such corrupt practices are carried out for the organisation’s benefit or advantage. In order to be in compliance with the provisions of section 17A of the MACC Act 2009 by June 2020, we have, among others, reviewed and updated relevant policies and procedures, as well as engaged an external legal consultant to review our pertinent policies and procedures ensuring its adequacy and highlighting any gaps that may exist. All recommendations to enhance and update the existing policies and procedures will be duly considered and implemented by the Board and Senior Management.

The Board Risk Management Committee is kept up to date on the regulations on Corporate Liability and commits to inculcate a work environment, free of bribery and corruption, a culture that promotes carrying out business in a fair and transparent manner.

We believe that it is also our responsibility to thrust our values of integrity to our employees and we do this in a variety of ways including reinforcing our relevant policies to our workforce, allocating training hours on topics covering fraud, Anti-Bribery & Corruption and enabling employees to voice out concerns, where possible. As part of good governance, we also conduct Fit and Proper checks including credit checks on the senior management team on an annual basis.

To ensure their adequacy and effectiveness, our policies and procedures are subject to independent assessment, audit and review. To further understand our Risk Management and Internal Control processes, please refer to page 71 on the Risk Management and Internal Control Statement.

We include the topic of Anti-Corruption into the following policies & procedures:

- Anti-Bribery & Corruption, Business Gifts and Entertainment Policy
- List of Misconduct (available in the CoC Manuals in English & Bahasa Malaysia) which is also introduced during workshops and in the online training
- Group Whistleblowing Policy and Procedures
- Group Corporate Governance Policy and Report
- Employee Handbook
- Travel and Entertainment Policy

Our Performance

We make it our priority to ensure that our stand on Anti-Bribery & Corruption is disseminated to all levels of our employees. We record a 100% rate in communicating our CoC Manuals to all levels of employees including new hires, contract staff and interns.

Employee Category	Number of employees to whom Anti-Bribery & Corruption training has been provided	Total Training Hours	Completion Rate
New Hires, Contract Staff & Interns	28	112	100%
All employees who underwent the CoC Online Training	387*	290	100%

* As at May 2019

TOPICS COVERED IN THE COC TRAINING:

Diversity & Inclusion	Anti-Harassment	Anti-Discrimination	Anti-Violence	Health & safety	Conflict of Interest
Anti-Bribery & Corruption	Anti-Money Laundering	Business Gifts & Entertainment	Maintaining Accurate Business Records	Fraud	Confidential Information
Insider Trading	External Communication	Internet, Email & Information Systems	Investigation	Disciplinary Action	

TOPICS COVERED IN THE EMPLOYEE RELATIONS WORKSHOP:

Absenteeism	Poor Performance	Misconduct in the Workplace
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OUR PEOPLE & COMMUNITY

DIVERSITY & INCLUSION THAT PROVIDE EQUAL OPPORTUNITY

Why It Matters

We believe that “Diversity and Inclusion” (“D&I”) provides a positive work environment that is both welcoming and stimulating. It paves the way for creativity, good teamwork and improved productivity.

Diversity reflects the real world. The diverse backgrounds of our employees and their work experiences enable us to better understand different needs of market segments and to effectively customise our services and target communication to capture a wider customer base. The dynamic exchanges of diverse knowledge and perspectives not only fosters better understanding, but also generates innovative ideas and enhances creativity within the entire organisation. D&I is a strength that we celebrate because it leads to giving everyone a voice and enabling better informed decision-making throughout the company.

How We Approach It

Our CoC Manual highlights “Respect in Our Workplace” as an important guiding principle, which safeguards employees against discrimination, harassment, and violence. The push for D&I comes from top management, where senior management take the lead in driving our D&I efforts with a wide range of initiatives and messaging:



Recruitment

The Company does not consider age, gender or race during the hiring process. Our hiring philosophy is mainly based on hiring the right skills sets with positive attitude.



Board Diversity

A diverse Board is a high-quality Board - one that utilises the calibre and perspectives of each director to create an environment that allows for the effective execution of corporate governance and strategic oversight. Our Board members come from a variety of backgrounds which enables them to provide strategic and holistic board oversight.



Signature Initiative

The Company runs an Annual CoC Month, which features mandatory online training, workshops, tests and quizzes on a variety of topics including the relevance of D&I. New hires are onboarded on our CoC guiding principles upon joining the organisation and a separate workshop on Employee Relations is organised for People Managers to drive home D&I.

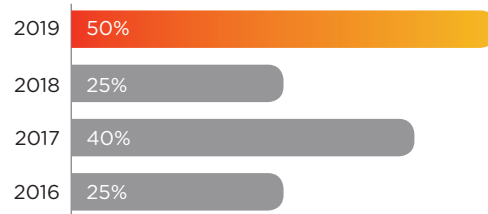
In addition, we have a whistleblowing policy in place for relevant parties to voice grievances. We also have an internal audit team to safeguard the interests of all parties concerned.

Our Performance

We value diversity among our employees, and work to strike a balance in respect of our career development. With relevant policies and initiatives implemented, we are narrowing the gender gap, particularly in leadership positions. We have consistently maintained 30% female representation in the Board. As at 31 December 2019, our female representation on the Board stood at 50%.

WOMEN IN LEADERSHIP

Board of Directors

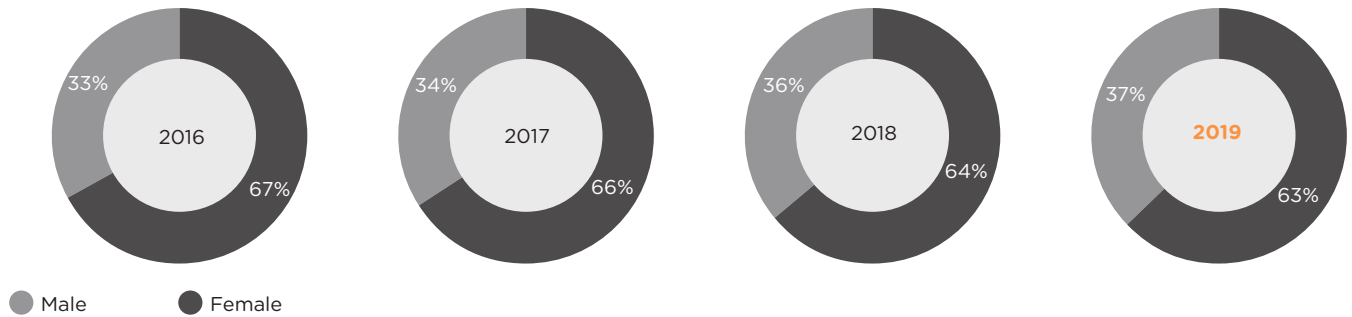


Senior Management

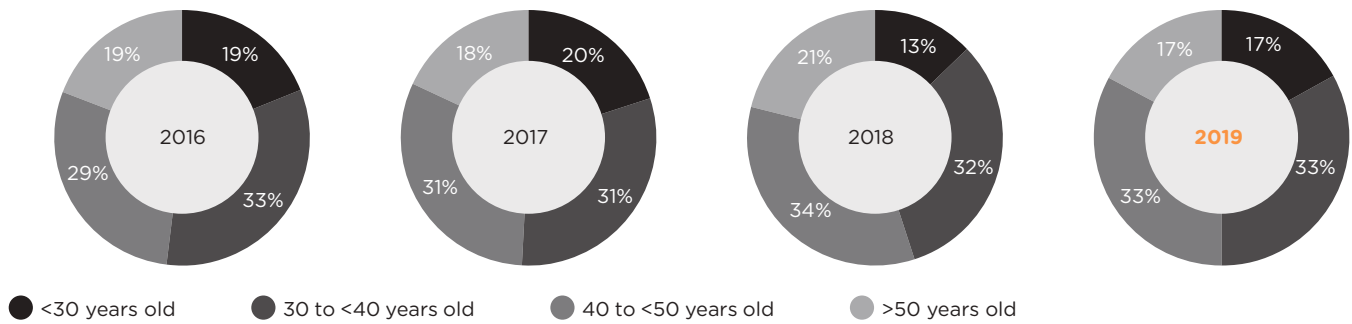


GENDER EQUALITY

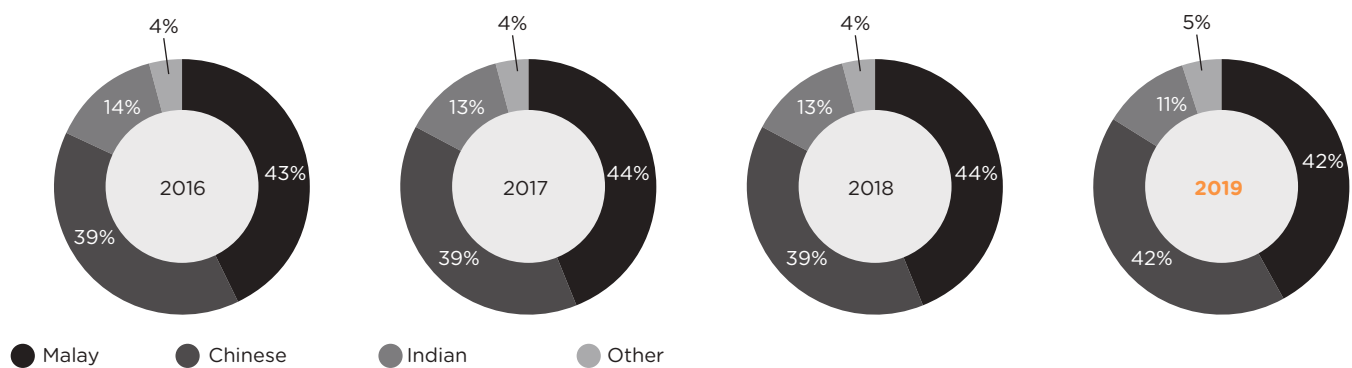
Overall Percentage of Employees



Percentage of Employees based on Age



Percentage of Employees based on Ethnicity



LOCAL COMMUNITIES

Why It Matters

We operate with the belief that everyone deserves to be protected. To reflect this, we seek to meaningfully assist the dependent and underserved communities within our reach. Our three core values of Integrity, Creativity and Togetherness (known as “I.C.T”) further inspire us to raise our own bar in actively reaching out to local communities through initiatives supported by a strong spirit of volunteerism. We believe our endeavours and investments will play an influential role in shaping a sustainable future for us and the communities we serve.

How We Approach It

We have a Corporate Social Responsibility (“CSR”) framework with 3 pillars promoting Financial Literacy, Entrepreneurship and Protection (“FEP”). Our flagship Orang Asli (“OA”) Financial Literacy, Empowerment & Entrepreneurship Programme (“FLEE”) is an initiative under this framework. We benchmark our efforts against the United Nations SDGs No. 3, 4, 11 and 13 which correlates with our initiatives focused on promoting Good Health & Well-Being, Quality Education, Sustainable Communities and Climate Action respectively. FEP enables us to provide quality financial literacy education to our beneficiaries so that they work towards EARNing an income through entrepreneurship, SPENDING wisely on essentials, SAVING for a rainy day and vicissitudes of life and PROTECTing their future and way of life in a sustainable and responsible manner. Afterall, we are in the business of providing protection and it is apt for PROTECTION to be a key feature of our CSR ventures. This strategy also creates job opportunities within their OA communities because manpower is needed for OA and it helps to protect their culture, community and way of life.

To reflect our company’s core value of Togetherness, we actively collaborate with external organisations such as Majlis Belia Orang Asli, the National Blood Bank, Petaling Jaya Lions Charity Foundation, The Truly Loving Company and our affiliates companies as well as our building management - Permodalan Nasional Berhad, to contribute to communities in locations which we have a presence. We work closely towards supporting and developing innovative ideas together, so we are able to effectively channel our efforts and resources into significant, positive outcomes. On the OA FLEE programme, we collaborate with Majlis Belia Orang Asli to produce bimonthly reports and verbal feedback which are used to measure performance and enable us to make necessary adjustments to our programme. All information received is subsequently shared with SuCom, which oversees the company’s EES-related direction and performance.

The implementation and management of these CSR initiatives are conducted by our People & Culture department.

Our CSR Initiatives

Supporting the Orang Asli Communities

FLEE



In the second half of 2018, we initiated FLEE, reaching out to the underserved and dependent OA youth community in an effort to promote good health and well-being for their community and also to provide much needed assistance to develop a sustainable platform for the OA community to build on. This is achieved through providing quality financial literacy education and assistance, aimed at helping the OA youth to achieve financial independence which will help improve their livelihoods and families’ future. Together with Majlis Belia Orang Asli and our training partners, we developed a 3-phase FLEE programme to assist the OA youth to “flee” aimlessness, extreme poverty, joblessness and social ills.

During the inaugural OA FLEE bootcamps in 2018, 13 participants from Perak, Negeri Sembilan, Selangor, Pahang and Kelantan brainstormed with the principal trainer and facilitators in group discussions, exchanged experiences, shared ideas and stories about challenges they encounter. Subsequently, Tune Protect organised the second phase of the bootcamp for 8 participants in September 2019 to help formalise the businesses started by the OA youths who were inspired by their first bootcamp. We helped to register 3 OA businesses with the Companies Commission of Malaysia. While this may seem like a small step for many, it was a big leap for the OA youths who had come a long way in such a short time.



Financial Literacy

- a. Better plan, manage & decide on financial resources
- b. Learn to regularly save for the future
- c. Distinguish the types of savings options, how they work & grow



Social Entrepreneurship

- a. Making a sustainable living yet preserving their culture by leveraging their skill set & capabilities
- b. Basic understanding of the business world & managing their own business
- c. To be able to spend, save, protect their families and give back to society with what they earn



Financial Protection

To teach the communities to protect what they have for the future of their families & legacy, in the event unforeseen circumstances were to occur

**Phase 1**

Covers ideation, exchange of ideas, discussions, field trips and business pitching. We embedded elements of climate action into the programme to create awareness and enable social change.

**Phase 2**

Covers business registration with the Companies Commission of Malaysia, development of business logos, creation of email addresses and introduction to sustainable practises.

**Phase 3**

Covers bookkeeping, cataloguing, marketing and business networking. These phases are aligned with our aim to promote Earning, Spending, Saving and Protecting.

Registering their businesses enabled the OA youths to produce and sell their products and services confidently and professionally. One OA success story is OA Bamboo Straw Enterprise from the Semelai tribe of Negeri Sembilan. Having persisted through challenging times, the Bamboo Straw team has now carved a name within the OA community for their innovation and success in their bamboo straws business. To date, the ladies have sold more than 3,500 bamboo straws, earning a decent and recurring income from this business. OA Bamboo Straw Enterprise also participated in the OA carnival held in Melaka and the Selangor "Tak Nak Straw" Campaign in July 2019. Their bamboo straws have also reached the hands of 30 participants from 25 countries at International Visitors Leadership Program (IVLP), a Social Enterprise conference in New York.

In December 2019, in collaboration with Majlis Belia Orang Asli, Tune Protect was represented by Nur Baizura Abdul Rahman (Secretariat of SuCom) in an interview by BERNAMA Radio to share our aspiration and plans on empowerment of the OA community through our FLEE flagship programme.

Eco-Bazaar

We organised an Eco-Bazaar for the newly registered OA businesses at Wisma Tune, together with other social enterprises and environmentally conscious companies. Amongst others, there were bamboo straws, rattan brushes, straw pouches, casings made from batik cloth, bamboo and mengkuang leave, "akar kayu" for high blood pressure and diabetes, and beaded bangles and bracelets. It was the first time these new entrepreneurs set up shop and sold their products legitimately. It was the highlight of Phase 2 of the Tune Protect OA FLEE Programme.

2-in-1 Merdeka Charity Food Bazaar

We celebrated our nation's 62nd Hari Merdeka with our 2nd Charity Food Bazaar. Every department was represented in this healthy competition to raise funds for our flagship OA FLEE programme. Held in Wisma Tune, employees generously cooked and sponsored a wide range of delicious foods and drinks to raise more than RM6,000 for the purchase of laptops for the OA Entrepreneurs who underwent our flagship programme. The funds raised enabled us to purchase three brand new computers and accessories for entrepreneurs to operate their newly set up businesses.

Supporting the Differently Abled Communities**Bake with Dignity ("BWD")**

We believe that diversity & inclusion are crucial for the development of a community's wellbeing. This inspired us to collaborate with The Truly Loving Company ("TLC") to support BWD, an enterprise that employs bakers with learning disabilities. Utilising the funds raised during the Pre-Loved Charity Bazaar, we were able to sponsor two units of energy efficient air conditioners to provide BWD bakers with a comfortable working environment and reception area to serve walk-in customers. We also sponsored 10 BWD bakers with Tune Protect EasyCare PA (personal accident) coverage. We continue to support BWD by placing orders for our internal events, trainings and festive gift packs.

Pre-Loved Charity Bazaar 2019

We joined forces with our affiliates in Wisma Tune and held a Pre-Loved Charity Bazaar 2019, raising more than RM3,000 for the “Sponsor Bake with Dignity” fund.

13th Blind Leading the Blind Charity Walk in collaboration with Petaling Jaya Lions Charity Foundation 2019



To support and raise awareness for Malaysians living with blindness and visual impairment, we collaborated with Petaling Jaya Lions Club Charity Foundation for the 13th Blind Leading the Blind Charity Walk. We sponsored RM33,000 for the event that attracted about 1,000 participants.

Supporting Other Communities

The Bursa Bull Charge Run 2019

We encourage our employees to live healthy lifestyles and take part in activities. We were delighted to participate in the Bursa Bull Charge Run 2019 and fielded a team of 17 Tune Protect runners across three different run categories.

8th Blood Donation Drive 2019

We collaborated with the National Blood Bank and Permodalan Nasional Berhad annually to organise blood donation drives. In 2019, we ran a donation activity specially during the Ramadhan month, typically a low month for blood supply. Held at Wisma Tune, our employees donated 25 pints of blood.

GoodKids “When Bells Meet Buckets” Theatre Dance

We recognise that children are crucial in shaping the future and as part of our community empowerment initiative, we are focused on providing a platform for at-risk children and teenagers with a platform to unleash their artistic and musical abilities using instruments made entirely from recycled items. We sponsored 50 tickets worth RM3,000 in total for the GoodKids “When Bells Meet Buckets” inaugural theatre play. The sponsored tickets were gifted to the parents of participants, OA community and children of the Shelter Home that are linked to GoodKids.

OUR PRODUCTS & SERVICES

CUSTOMER SATISFACTION

Why It Matters

Customer satisfaction continues to take the lead as one of the top sustainability material matters identified by our key stakeholders. We constantly strive to be a high performing digital champion in order to tailor products and services to better fulfil our customers’ ever-evolving needs and expectations. In a time of rapid change, we strongly believe that our commitment towards becoming the region’s Leading Digital Insurer helps transform our business, improve customer satisfaction, and deliver the best customer experience.

How We Approach It

We have in place robust customer services policies, allowing us to continuously meet our customers’ expectations. The policies include the following key elements:



Standard Operating Procedures for Contact Centre

To provide guidelines for our dedicated team to serve and assist customers with any requests or inquiries



Complaint Handling Procedures

To outline procedures on how to handle customer complaints and help to build insights into areas for improvement



Internal Service Level Agreement

To ensure proper elements and commitments are in place in order to provide consistent delivery of information to customers

Our Customer Experience unit plays a vital role in engaging and managing our customer relationships by tracking, overseeing, and communicating with customers on behalf of the organisation. In serving our customers, we strive to adhere to a turnaround time of 10 working days to respond to official complaints made regarding our products and services.

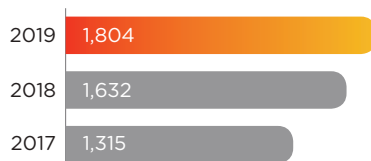
Customers can communicate with us through several channels, including via our customer service hotline (available on the corporate website), email and social media. In March 2019, we launched a live chat platform for Tune Protect Travel AirAsia’s customer as a support channel to respond to customers’ needs and queries in real time.

Our Performance

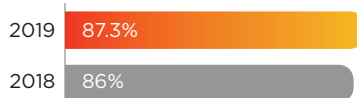
We encourage and value feedback from our customers as it is imperative in providing insights into how we can improve our products and services, and dealings with them. Almost 8% of the total Tune Protect Travel AirAsia's enquiries in 2019 was channelled via Live Chat instead of e-mail.

We also conduct Customer Purchase Satisfaction and Recommendation Surveys to continue to improve our performance based on customer feedback. Since 2018, we have adopted the use of Net Promoter Score ("NPS"), a metric to measure our customer satisfaction and loyalty. We are pleased to see that the NPS score during the reporting year increased 1.3 percentage points compared to 2018, from 86% to 87.3%. The number of customer responses and NPS are illustrated in the following graphs.

Total Number of Respondents



Net Promoter Score*



*NPS tracking commenced in 2018

In 2019, the average turnaround time ("TAT") to respond and resolve complaints was recorded at 10.3 days in comparison to 8.8 days for 2018. This was mainly due to a complex individual case in Dec 2019 that took more than 14 days to resolve. We will improve our complaint management process and TAT to better serve our customers in future.

DIGITISATION

Why It Matters

We hold true to our belief that everyone deserves to be protected and we are committed to making insurance easy to understand, easy to buy, easy to claim, easy to access and easy on the pocket. The digitisation of our products and services plays a pivotal role for us to remain competitive in this fast pace world where technology and new data sources are changing the economy and society, and transforming the industry across its value chain from underwriting, distribution, customer service and claims.

How We Approach It

In alignment with our aspiration to become the region's Leading Digital Insurer, we introduced a four-pillar transformation strategy - **GAIN**. Details of the GAIN strategy can be found in the Management Discussion and Analysis ("MD&A") section of this Annual Report.

While each pillar has its own digital levers, the "I" pillar which is on Insurtech capabilities focuses on building and harnessing our homegrown technology assets, which we have housed together under White Label. For instance, we are developing our turnkey digital platform, which consists of a mobile application with self-managed buy and claim functions, in addition to a revamped website with a refreshed user interface. By downloading the mobile application, customers can purchase any of our current retail products which are similarly available via our Direct-to-Consumer ("D2C") website. Customers can also view details of their purchased policies, download the certificate of insurance and policy wordings as well as submit their claims online. For customers who opt in for the Pay-As-You-Drive ("PAYD") feature when purchasing our Motor Insurance plan, they can snap the image of their odometer readings and upload it using their mobile phone. The mobile application comes with two-factor authentication using Transaction Authorisation Code (TAC) and PIN numbers, which enhances its security. We anticipate our inaugural mobile application to go live in 2020. Once ready, this digital platform will better connect us with our end customers, allowing them to access and purchase our products as well as file claims while on-the-go.

We have made considerable advances in offering customers differentiated digital products and services and our current focus is on continuing to build a world-class user experience while supporting sustainability-related efforts. Our product and services digitisation strategy focuses on on-demand solutions and customisation leveraging analytics and artificial intelligence. Some of the initiatives introduced and launched during the reporting year include:



PAYD provides an opt-in feature to motor insurance that rewards customers for driving less. The introduction of PAYD is also aimed at reducing carbon footprint and in support of a greener environment.



Business Shield, a six-in-one (6-in-1) comprehensive package for SMEs/SMIs businesses that provides seamless onboarding experience for businesses whereby instant quotations and policy contracts are issued electronically.



Revenue optimisation initiative (real-time optimisation of travel insurance on AirAsia's booking platform including on content, messaging, UI/UX and pricing).



Flight delay instant claims notification feature, available to customers of our general insurance business partners in Vietnam (allows submission of claims when experiencing a flight delay, which will be reimbursed instantly to customers' bank accounts or e-wallets upon submission).

In 2019, we had collaborated with several like-minded partners to distribute insurance products digitally across their communities. Among others, we distribute travel insurance to tourists from China via the TieThai mini application that is made available on WeChat.

In this increasingly digitised world, as more data becomes digitised and more information is shared online, data privacy and security are becoming more important. Some measures that we have put in place to manage data privacy and security risks are as follows:

- Enabled email forwarding rules to prevent employees from forwarding all incoming emails to external email addresses;
- Enabled Litigation Hold whereby all mailboxes data will be retained indefinitely as well as all incoming, outgoing, deleted or purged emails will be retained;
- Ensure business continuity via a cloud-based back up & storage for Tune Protect Group, Tune Protect Re and White Label;
- Adopt cloud-based productivity tools for quick deployment & ensure latest version of the software are being use enterprise-wide;
- Build internal data analytics capability/collaboration to better understand our customers' behaviour;
- Subscribed to the cutting edge, AI-driven anti Distributed Denial of Service (DDoS) protection to safeguard our key infrastructure; and
- Non-permissible transfer of data through USB device.

As we progress on this path, we will embark on further evaluation of our projects and initiatives.

Our Performance

Digital policies

Our D2C platform offers the option to allow customers to directly purchase our current retail products. Upon online purchase, customers will be eligible to receive up to 25% rebate. In 2019, we introduced PAYD and AutoBuddy which are supplementary products to be attached to the Motor Insurance product, to provide customers with a more complete coverage.

In 2019, our digital policy issuance was approximately 28,000 a day. This included all sales derived from online platforms such as our D2C platform at tuneprotect.com, AirAsia in-path booking platform, product bundling with AirAsia's value pack and via online Business-to-Business travel agents. Further details about our digital businesses' performance, refer to MD&A section on pages 18 to 35.

Customer Campaigns

During the year in review, we also implemented several initiatives and campaigns for the benefit of our customers.

Free 1G data roaming

(May 2019 - May 2020)

Benefit: Customers get FlexiRoam 1GB data roaming free when they purchase travel insurance

Sakura Bonanza

(March 2019 - May 2019)

Benefit: Customer to redeem RM50 if they could not see Sakura blossom

Fujisan

(September 2019 - January 2020)

Benefit: Customer to redeem RM50 if they could not see Mount Fuji

8% off for insurance

in conjunction with AirAsia 18th Anniversary

OUR ENVIRONMENT

MATERIALS - RESOURCE CONSUMPTION

Why It Matters

We are committed to operating our business in an environmentally friendly manner, in support of climate change. We strive to continuously reduce our impact on the environment by automating processes and carefully monitoring and managing the resources we consume, as we progress in our digitisation journey.

How We Approach It

In 2018, we launched Tune Protect's Climate Action initiative to "Create Awareness and Enable Social Change" in line with the United Nations SDGs No. 13. Since then, we have been encouraging reduction in energy consumption and wastage with a variety of initiatives starting with our weekly Earth Hour Friday, where non-essential lights and plug points are turned off for an hour during lunch hour from 12pm to 1pm.

We believe that every little bit counts. Hence, other initiatives include:

- our recycling efforts with recycling bins stationed on all three floors of the Company;
- collection of fluorescent bulbs and lamps, used batteries, old mobile phones and power banks which we send to licensed collection centres;
- we encourage the use of reusable containers, cups and utensils for our office events and functions;
- we encourage employees to print on both sides of paper.

We recognise that our Company-wide resource conservation efforts can be amplified by mobilising our talents from different departments in this endeavour. As part of this ongoing campaign, we established a team of volunteers aptly named the "Green Marshalls" to drive the green agenda within the workplace. Since its inception, the "Green Marshalls" have successfully promoted our green initiatives that we rolled out. In addition, we led our Wisma Tune tenants and affiliates with a "GoGreen" initiative. This initiative involved the participation from all the tenants in the nine floors of the building, where we jointly organised several recycling campaigns, a Pre-Loved Charity Bazaar and energy conservation competitions. The committee includes affiliates Tune Group, Tune Talk, BigPay and landlord Permodalan Nasional Berhad.

OUR EFFORTS IN REDUCING PAPER CONSUMPTION

We offer the choice to our customers to submit their claims for selected policies entirely online. While we continue to issue our products in both physical and digital formats, we provide insurance premium rebates for customers who purchased our products via online platforms.

Aligned with our digitisation strategy, we will continuously explore and incorporate innovative solutions into our processes to further reduce paper consumption.

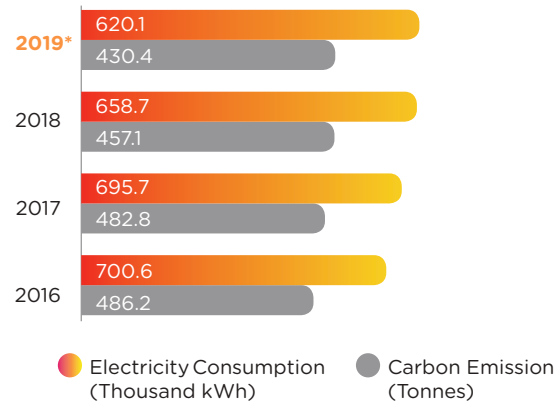
Our Performance

Throughout 2019, we recycled 625kg of paper products, plastic bottles, aluminum cans and metal tins. Compared to 2018, this is an increase of over 30% after excluding the special collection of 1,500kg worth of newspapers during the 2018 Topsy Turvy Teambuilding Recycling Challenge. All items collected are subsequently sold to recycling vendors and proceeds generated from the sales are channelled back to fund our green initiatives to "create awareness and enable social change". In 2019, we extended our efforts to collecting 63 fluorescent bulbs that were delivered to a licensed recycling collection center for proper disposal. We will continue working together with our employees through various platforms and initiatives to incorporate best practices in resource conservation into our workplace.

Our Performance in Energy Management

Whilst we strive to incorporate recommendations by the Task Force on Climate-related Financial Disclosures (TCFD) especially in our resource management strategies, we continue to deepen our commitment in resource conservation and climate change. This has led us to experience a downward trend in total electricity consumption, recording a reduction rate of 11.5% since 2016. We succeeded in accumulatively saving more than 80,000 kWh in electricity over the past three years, which is equivalent to a reduction of more than 55 tonnes of CO₂ emissions. In 2019, we realised a 6% reduction in electricity consumption to 38,600 kWh as compared to the previous year.

Group Energy Performance (2016-2019)



80,470 kWh
in electricity was saved
since 2016

55.8 tonnes
of CO₂ was reduced since
2016

The results were largely contributed by the increase in electricity efficiency as well as employee awareness in avoiding electricity wastage at our offices. All employees are required to be mindful in consuming electricity within their workplace. This is supplemented by the establishment of a lighting floor plan and signage at all floor levels to constantly remind our employees to be mindful and switch off the lights at their respective workstations whenever the lights are not in use. In addition, our weekly Earth Hour Friday, which highlights the importance of energy conservation to our employees, requires all non-essential lights and plug points to be switched off from 12pm to 1pm every Friday. We will remain vigilant of our electricity consumption while consistently monitoring and making progress in our energy management practices.

**2018 data consists from 20 branches whereas data from 2019 is from 18 branches.*